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UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
EASTERN DIVISION

PETER A. MOORE, JR., CLERK
US DISTRICT COURT, EDNC
BY CBP DEP CLK

NO. 4:25-CR-27

UNITED STATES OF AMERICA)

v.)

KEKE KOMEKO JOHNSON)
_____)

CRIMINAL INFORMATION

The United States Attorney charges that at all times relevant to this Criminal Information:

I. STATUTORY AND REGULATORY BACKGROUND

A. The Anti-Kickback Statute

1. Title 42, United States Code, Section 1320a-7b, makes it illegal to knowingly offer or pay, directly or indirectly, overtly or covertly, in cash or in kind, any remuneration, including any kickback, bribe, or rebate, to induce a person to purchase, order, or arrange for the purchase or order of any service for which payment may be made under a Federal health care program.

B. The Medicaid Program

2. Title XIX of the Social Security Act, 42 U.S.C. §§ 1396, et seq., (the “Act”) establishes the Medicaid Program. The North Carolina Medicaid Program is a state-administered health care benefit program aided by federal funds and designed to

provide medical assistance for low-income families and children that reside in North Carolina.

3. Under the Act, each state has a single state agency to administer the Medicaid program for the benefit of recipients within its borders. In North Carolina, the Division of Health Benefits (“DHB”), formerly known as the Division of Medical Assistance or DMA, which is within North Carolina’s Department of Health and Human Services (“DHHS”), administers the Medicaid program. The North Carolina Medicaid program, administered through DHB is referred to herein as “NC-Medicaid.”

4. An individual qualified to receive Medicaid’s publicly funded assistance is referred to as a “beneficiary” or “recipient.” In the context of treatment, recipients may also be referred to in this Criminal Information as “patients.” For recipients, Medicaid functions like a medical insurance plan, which defrays the cost of receiving covered and medically necessary services. Covered services include substance abuse treatment and urine drug testing as part of substance abuse treatment.

5. If qualified, an individual can enroll as a NC-Medicaid recipient. At the time of enrollment, a recipient is assigned a unique alphanumeric identification number by Medicaid, known as a Medicaid identification number. Recipients use their Medicaid identification numbers to receive covered services.

6. Under Medicaid, a “provider” is an individual (rendering provider) or entity (billing providers) that furnishes Medicaid services to recipients under a provider agreement with the Medicaid Agency. In North Carolina, every provider

who participates in NC-Medicaid must apply for and be assigned a unique provider number by DHB. Rendering providers and billing providers must also obtain a federal identification number, known as a National Provider Identifier or NPI number.

7. All NC-Medicaid providers must certify that they will comply with applicable federal laws, rules, and regulations, including the Anti-kickback statute.

8. For a provider to obtain reimbursement from the Medicaid Program for providing services to a Medicaid recipient, the provider electronically submits a claim to NC-Medicaid, containing, among other things, the provider's name, address, and provider NPI number, the patient's name and Medicaid identification number, the date of service, a brief description of the charges, the provider's signature, and date of billing. For direct billings to NC-Medicaid, claims for services are electronically transmitted through a program known as "NCTracks."

9. As an alternative to direct fee-for-service billing through NCTracks, NC-Medicaid also includes a managed care structure consisting of Prepaid Health Plans (PHPs). In Medicaid managed care, DHHS remains responsible for all aspects of NC-Medicaid but delegates the direct management of certain health services to PHPs. The PHPs assume financial risk through capitated contracts with NC Medicaid, and separately contract with providers to offer services for beneficiaries. Claims for these services are submitted directly to the PHP, as opposed to being submitted through NCTracks, and are paid by and through the PHP. The claim generally includes, but is not limited to, the date of the alleged service, the Medicaid

Identification Number of the beneficiary, the nature of the service rendered, and the provider number or federally issued NPI number. As used herein, the term "NC-Medicaid" includes services billed to and paid by a PHP, as well as claims billed directly to Medicaid through NCTracks.

10. As a component of the NC-Medicaid program, some beneficiaries, recipients of services for mental health, developmental disabilities or substance use disorders, contract with Medicaid Managed Care Organizations (MCOs). MCOs are organizations that contract with a network of providers to provide covered services to enrolled beneficiaries in exchange for payment from Medicaid. MCOs apply Medicaid's rules and regulations and serve as the PHP.

11. NC-Medicaid, including any claims paid directly or through a PHP, is a "health care benefit program," as defined in Title 18, United States Code, Section 24(b).

C. Medicaid Audits

12. As an administrator of NC-Medicaid benefits, MCOs are required by DHHS to have compliance plans which include methods to prevent, detect and report fraud, waste and abuse by providers who submit billings to such MCOs. MCO oversight of fraud, waste, and abuse, includes among other things, efforts to identify and eliminate violations of the Anti-Kickback Statute. To carry out this function, MCOs enter into written agreements with each provider that comply with applicable federal and state laws, rules and regulations. These agreements further require the provider to participate in the MCO's utilization management, care management,

quality management, and program integrity functions. Providers are required to comply with MCO audits and investigations that are meant to ensure integrity and efficiency to determine compliance with federal and state law, compliance with program rules and policies, and to ensure that Medicaid funds are used properly.

13. When a MCO conducts an audit of a provider, the audit process typically involves notification of the audit, a site visit, a request for records, interviews of patients, and interviews of employees or associates of providers. During an audit, medical records, billing claims, and other documentation are reviewed to verify the accuracy and lawfulness of claims.

14. An audit or investigation by an MCO may be initiated in a number of ways, including among other things, complaints from patients, proactive data analysis showing billing irregularities or suspicious billing patterns, a history of noncompliance with Medicaid regulations, or a random selection process.

15. As a part of these audits or investigations, providers are required to cooperate with all announced and unannounced site visits, post-payment reviews, and other program integrity activities conducted by an MCO. Providers are required to provide truthful information and documentation when requested by the MCO. Providers who fail to grant prompt and reasonable access or who fail to timely provide specifically designated documentation to an MCO to properly investigate potential violations may be terminated from the network and NC- Medicaid programs.

16. Substantiation of violations by program auditors may lead to further action to protect Medicaid dollars. These actions may include, among other things,

recoupment from the provider of proceeds obtained as a result of the violation, payment suspension, a law enforcement referral, and termination from the Medicaid program.

D. Civil Fraud Investigation

17. The Medicaid Investigations Division (“MID”) of the North Carolina Department of Justice, Attorney General’s Office, serves as the Medicaid Fraud Control Unit (“MFCU”) for the State of North Carolina and investigates civil and criminal frauds upon NC-Medicaid. State MFCUs are charged under federal law with the authority to investigate violations of all applicable state laws, including false claims statutes and other civil authorities, pertaining to fraud in the administration of the NC-Medicaid program. As a central feature of MID’s Medicaid oversight authority, compulsory production of requested documents and information from NC-Medicaid providers to MID is mandated by federal regulations. Furthermore, in its agreement with DHB, providers specifically agree to cooperate fully with requests for information by the state’s MFCU.

18. Under civil investigations, MID attorneys issue Civil Investigative Demands requesting the production of records to providers who are the subject of investigation. The production of documentary material in response to a Civil Investigative Demand must be made under a sworn certificate of production. As such, responses to such requests are expected to constitute truthful, genuine records.

19. MID civil attorneys may also conduct interviews of employees or associates of providers and NC-Medicaid recipients as a part of their investigation.

Answers to questions by providers and their employees in such interviews are also expected to be truthful.

II. FACTUAL BACKGROUND

A. Relevant Parties and Entities

20. Life Touch, LLC (“Life Touch”) was a North Carolina corporation formed on June 16, 2009, with its principal place of business in Kinston, within the Eastern District of North Carolina. B.S. was its organizer and only listed member. By no later than October 1, 2009, Life Touch had been registered as a Medicaid provider with NC-Medicaid providing substance abuse services.

21. During times relevant to this Criminal Information, Life Touch was contracted with Eastpointe Human Services (“Eastpointe”), a MCO, to provide substance abuse services to Medicaid recipients within the Eastern District of North Carolina. B.S. operated two Life Touch service locations: one in Goldsboro, North Carolina and one in Kinston, North Carolina.

22. K.S. initially worked for B.S. at Life Touch, providing such services as handling intakes of recipients and answering the phone at Life Touch’s Kinston office.

23. K.S. formed 1st Choice Healthcare Services, LLC (“1st Choice”) on or about November 22, 2016, in the Eastern District of North Carolina. By no later than October 10, 2019, K.S. had enrolled 1st Choice as a provider with NC-Medicaid.

24. F.S. also worked for B.S. at Life Touch. F.S. primarily worked as the office manager of the Kinston location. F.S. was also the mother of K.S. and B.S.

25. KEKE KOMEKO JOHNSON (“JOHNSON”) worked for B.S. at Life Touch and served as the office manager of the Goldsboro location. JOHNSON also worked as the Medicaid biller for both Life Touch locations and 1st Choice. JOHNSON also had oversight of quality management and audits and described herself as the “QM Director.” Life Touch organizational charts also identified JOHNSON as the Compliance Director and Quality Management/Medical Records Director.

26. Eastpointe was a NC-Medicaid MCO that managed Substance Abuse Comprehensive Outpatient Treatment Program (SACOT) and Substance Abuse intensive Outpatient Program (SAOIP) payments to providers in the Eastern District of North Carolina. During times material to this Criminal Information, Life Touch was a provider that was contracted with Eastpointe to provide, among other things, SACOT and SAOIP services to Medicaid recipients in Kinston and Goldsboro, NC.

B. Life Touch Provided Things of Value to Its Patients

27. Beginning at a time unknown but no later than January 2018, and continuing to a time unknown, but no earlier than November 16, 2023, Life Touch, by and through B.S., K.S., F.S., JOHNSON, and others, routinely engaged in the acquisition and payment of stored value cards, also known as “gift cards,” to NC-Medicaid recipients to incentivize their receipt of substance abuse services at Life Touch.

28. Life Touch, by and through its agents informed patients that they could receive a gift card in connection with each week of treatment. Some patients received

an extra gift card for bringing a new patient to Life Touch for substance abuse services.

29. Life Touch recipients were required to attend treatment to receive a gift card. Although exact amounts varied, recipients who attended treatment five times per week generally received a \$60 gift card; recipients who attended four times per week generally received a \$50 gift card; and recipients who attended three times per week generally received a \$45 gift card.

30. Life Touch provided the gift cards on a weekly basis in connection with patients' receipt of substance abuse services, known as SAIOP and SACOT.

31. Life Touch received as much as \$25 Million in NC-Medicaid substance abuse service proceeds during the same period that it gave more than \$1 Million in gift cards to its substance abuse patients.

C. Scheme to Defraud Medicaid Concerning Payment of Things of Value to Life Touch Patients

32. **January 2018 Eastpointe Audit.** In January of 2018, Eastpointe Program Integrity conducted an audit of Life Touch involving alleged payment of gift cards to patients (hereinafter the "January 2018 Eastpointe Audit"). In particular, Eastpointe auditors were investigating an allegation by a NC-Medicaid recipient. This recipient had alleged that he/she had been approached by an individual and told that if they provided their Medicaid number to Life Touch, and attended substance abuse classes offered by Life Touch, they would be given a Visa gift card for each class they attended.

33. The January 2018 Eastpointe Audit included among other things, interviews of Life Touch patients, reviews of claims data, an on-site visit to Life Touch, Life Touch employee interviews, and a request for document production. The document production specifically called Life Touch to produce the medical records of fifteen identified patients; personnel records; Life Touch's policies and procedures for providing substance abuse services, soliciting members, billing claims, conducting/processing drug screens, discharge criteria and gift giving to members; and the Eastpointe Provider Operations Manual.

34. Upon conclusion of the audit, Eastpointe auditors found that Life Touch had submitted claims for payment without following all federal and state laws, rules, and regulations. Specifically, Eastpointe substantiated that Life Touch had provided gift cards with monetary value between \$45 to \$60 to Life Touch patients receiving SAIOP services, depending on their attendance.

35. Notably, the January 2018 Eastpointe Audit did not entail a comprehensive examination of all of Life Touch's Medicaid billings for substance abuse services. Instead, only approximately 1,052 claims of the member sample, covering only a period between January 1, 2017, and December 31, 2018, were reviewed as a part of the audit. As such, auditors found that \$14,325.77 in Medicaid proceeds should be recouped from Life Touch, since such proceeds resulted from the payment of remuneration, in the form of gift cards, to patients to encourage members to receive SAIOP services from Life Touch during the dates under review.

36. Nevertheless, on September 30, 2019, auditors provided, Life Touch with written notice of the substantiated gift-card payment allegation, and also written guidance from the United States Department of Health and Human Services, Office of the Inspector General (OIG), concerning the unlawfulness of providing valuable incentives to patients receiving services.

37. **Life Touch Continues to Disseminate Gift Cards.** Even after being warned of the illegality of the payment of gift cards to patients, Life Touch, by and through its employees and agents, including but not limited to F.S., JOHNSON, and K.S., continued to acquire and deliver, and cause to be delivered, gift cards to patients. By way of example, and not by way of limitation, between September 30, 2019 and October 31, 2023, the following text message correspondence between JOHNSON, F.S., B.S., and K.S. occurred:

Date	Sent by	Received by	Text Message Content
10/4/2019	JOHNSON	B.S.	"What company name are we using for the cards."
10/18/2019	F.S.	JOHNSON	"How much are your cards"
	JOHNSON	F.S.	"\$2914"
10/24/2019	B.S.	JOHNSON	"Hey Keke do you have the numbers for Goldsboro going to wire directly to your account."
	JOHNSON	B.S.	"Kinston \$3325" "Goldsboro \$3510"
10/31/2019	B.S.	JOHNSON	"I'm going to wire individual amounts again" "For you and mom today when you all give totals"
	JOHNSON	B.S.	"Cards 3260"
11/21/2019	JOHNSON	F.S.	"Cards \$3110"
12/6/2019	JOHNSON	F.S.	"\$2860"
12/13/2019	JOHNSON	F.S.	"Cards \$2610"
12/19/2019	JOHNSON	F.S.	"Cards \$2435"
1/3/2020	JOHNSON	F.S.	"Cards \$2255"

1/10/2020	JOHNSON	F.S.	"Card amount \$1740"
1/15/2020	JOHNSON	F.S.	"The cards \$60 right?"
1/17/2020	JOHNSON	F.S.	"Good morning...on the way to the office...I can meet M. on the highway if you want me too and if you need some more cards let me know"
	F.S.	JOHNSON	"I'm not going to work today I'm not feeling good but Kim is going to Goldsboro and she's picking the cards up"
1/24/2020	F.S.	JOHNSON	"6 @ 60. 3@45. 2@50" "How much r your cards"
1/31/2020	JOHNSON	F.S.	"\$1815 M. and J. mad cause I'm only doing 4 days for them cause they signed in at 11:15 one day...what do you do if the come late?"
2/3/2020	JOHNSON	F.S.	"703-255-8336 order cards"
2/21/2020	JOHNSON	F.S.	"My cards just &1175"
2/28/2020	JOHNSON	F.S.	"Cards only \$900"
3/12/2020	JOHNSON	F.S.	"Cards \$740"
4/3/2020	JOHNSON	F.S.	"Cards \$1110"
4/17/2020	JOHNSON	F.S.	"\$2055"
5/1/2020	JOHNSON	F.S.	"Cards \$2595"
6/4/2020	JOHNSON	F.S.	"My cards is \$2540 this week"
7/17/2020	JOHNSON	F.S.	"Cards \$3240"
8/13/2020	JOHNSON	F.S.	"Cards \$3880"
9/17/2020	JOHNSON	F.S.	"Cards \$4345...I have to go to Fayetteville again to see if I can get 31 more cards...they let me get 50 Tuesday"
9/21/2020	JOHNSON	F.S.	"They giving me a hard time bout ordering these damn cards...I'm like just transfer me I do this every week"
10/20/2020	JOHNSON	F.S.	"Cards \$4860"
10/21/2020	JOHNSON	F.S.	"Ok getting ready to go to Wilson to try to get the cards" "Got cards in Wilson."
11/5/2020	JOHNSON	B.S.	"Cards didn't come and I paid them Friday" "Me and Mrs. Francine going to go ahead and start getting the cards out of our pocket and keep track of them"

12/17/2020	JOHNSON	F.S.	"Cards \$5280"
12/23/2020	JOHNSON	F.S.	"Cards \$5040"
12/30/2020	F.S.	B.S.	"\$4450"
1/14/2021	JOHNSON	F.S.	"Cards \$5340"
2/4/2021	JOHNSON	F.S.	"Cards \$3360"
3/31/2021	JOHNSON	F.S.	"Cards \$1680"
4/22/2021	JOHNSON	F.S.	"Cards \$1560"
5/11/2021	JOHNSON	F.S.	"\$1740"
6/24/2021	JOHNSON	F.S.	"Cards \$1680"
7/26/2021	JOHNSON	F.S.	"Cards \$4620"
8/24/2021	JOHNSON	F.S.	"Cards \$5290" "Brandon is going to be happy with this \$210,000 billing"
9/22/2021	JOHNSON	F.S.	"Good morning ... cards \$5460"
10/27/2021	JOHNSON	F.S.	"Cards this week \$5580"
11/15/2021	F.S.	JOHNSON	"How much for cards"
	JOHNSON	F.S.	"\$5820 minus \$3000 you gave me for the 50 that I have"
12/14/2021	JOHNSON	F.S.	"Card \$5460"
1/18/2022	JOHNSON	F.S.	"\$4550" "If you get to deposit the money today let me know so I can order the cards soon in case NC does get the winter storm"
	F.S.	JOHNSON	"I did"
	JOHNSON	F.S.	"OK...I'm going to transfer it now and order my cards...but might not do no good if FedEx can't get out" "You're going to be mad...it's \$4550"
2/16/2022	JOHNSON	F.S.	"Cards \$4260"
3/23/2022	JOHNSON	F.S.	"Cards \$2520"
5/10/2022	JOHNSON	F.S.	"Good morning... ..my cards are \$3240 and that includes the referral fees"
6/10/2022	F.S.	JOHNSON	"Good afternoon Mrs Francine I am texting you because I didn't get a card last week what do I do if I didn't get one last week and nobody told me to come and pick it up cause someone usually brings it to me"

7/5/2022	JOHNSON	F.S.	"\$4150 and that includes gas for Van... this is based on everyone coming the 4 days this week... if they don't I would save the rest of the money for the following week... I will let you know"
8/1/2022	JOHNSON	F.S.	"Good morning...I finished Goldsboro billing last night and my card amount is \$7680...I am going to ask Sonya and the rest to send their billing...I have to run to navy federal around 11 this morning to deposit some money I owe my sister in her account...I didnt know when you were going to do cards...if you need me to I can put some money in Kim's account"
8/29/2022	JOHNSON	F.S.	"Cards \$8140"
9/6/2022	JOHNSON	F.S.	"Cards 8180" "\$7050"
9/27/2022	JOHNSON	B.S.	"Cards \$7860 sorry so late"
11/2/2022	JOHNSON	B.S.	"8925"
11/15/2022	JOHNSON	B.S.	"7755" "I'm definitely going to need a vacation with this testimony..."
3/2/2023	JOHNSON	F.S.	"60 \$60 5 \$50 7 \$45 Sorry it changed"
4/27/2023	JOHNSON	F.S.	"34 \$60 4 \$50" "It's 6 \$50...sorry"
5/4/2023	JOHNSON	F.S.	"31 \$60 5 \$50 2 \$45" "1 \$100"
6/8/2023	JOHNSON	F.S.	"14 \$60 3 \$50 1 \$100"
7/20/2023	JOHNSON	F.S.	"26 \$60 11 \$50 7 \$45"

			"15 \$60 17 \$50 7 \$45 1 \$100" "I did 3 extra cards just in case something goes wrong..."
8/17/2023	JOHNSON	F.S.	
8/18/2023	K.S.	F.S.	"Text the amount"
			"15 \$60 17 \$50 7 \$45 1 \$100" "Where are you"
	F.S.	K.S.	
	F.S.	K.S.	"Left cards in Kinston office..."
9/14/2023	K.S.	F.S.	"I'm bout to come to Kinston to Walmart"
	F.S.	K.S.	"Meet me at Walmart" "Now"
9/22/2023	JOHNSON	F.S.	"Good morning... what I'm I supposed to do about cards today"

38. In conjunction with the foregoing text communications, JOHNSON, B.S., F.S., and others, engaged in financial transactions to acquire, and be reimbursed for acquiring gift cards from various locations. These cards were then disseminated to Life Touch patients by JOHNSON, F.S., and other Life Touch staff.

39. **The January 2020 Eastpointe Audit.** On January 28, 2020, NC-Medicaid received another complaint concerning Life Touch giving gift cards to patients. This complaint resulted in another audit, which included a preliminary internal review, data analysis, and eventually, demands for records and interviews of Life Touch employees, agents, and patients.

40. In response to this audit, rather than providing truthful information and genuine records to auditors, Life Touch, by and through its agents and employees,

engaged in a scheme to trick Eastpointe and its own patients, into believing that gift cards were no longer given to patients by Life Touch when, in fact, they were. They did this by, among other things, making it appear that a third party named “Refuge House of God” was purchasing and providing gift cards to Life Touch patients.

41. On or about March 20, 2020, JOHNSON created a document entitled, “Refuge Incentive Letter.doc” This letter purported to offer incentives to patients making significant progress toward recovery from substance abuse disorder. The letter contained a space for the signature of the participant. Refuge House of God was a non-profit corporation created in September of 2000 by F.S.’s mother-in-law, and B. S.’s grandmother.

42. On or about November 20, 2020, JOHNSON texted to a patient, among other things, that “we don’t do the cards, Refugee church sent the \$60 with your name on it.”

43. On the same date, K.S. texted B.S. a photo of a gift card with a note indicating that it was “to: [Life Touch patient J.B.],” “from: Refugee House of God.”

44. On or about December 1, 2020, Eastpointe auditors demanded that Life Touch produce, among other things, its policies and procedures for providing incentives to patients. Auditors also requested a sample of patient documents on this topic. These records, after an extension, were due to auditors on or about December 22, 2020.

45. Approximately 4 months later, on or about March 30, 2021, auditors asked JOHNSON to explain Life Touch’s incentive program. In response, JOHNSON

told auditors, “We don’t do the incentives, it is a third party, Refuge House of God. We are not physically with them; they are there for like clothing and food. They are a nonprofit.”

46. On or about April 16, 2021, B.S. texts K.S, “The audit was unsubstantiated – praise God!!!” K.S. responds, “Praise God. I’m sure that’s the best birthday gift you’ve received.”

47. In truth and in fact, Life Touch had continued to provide gift cards to clients throughout this time period.

48. Based, in part, upon false information provided by JOHNSON and others, the January 2020 Eastpointe Audit was closed without a substantiated finding regarding Life Touch’s practice of giving gift cards to patients.

49. **The April 2021 Eastpointe Audit.** On April 28, 2021 and August 30, 2021, NC-Medicaid received two more complaints relating to Life Touch giving gift cards to patients. These complaints resulted in another audit, which included a preliminary internal review, data analysis, and eventually, demands for records and interviews of Life Touch employees, agents, and patients.

50. In response to this audit, rather than providing truthful information and genuine records to auditors, Life Touch, by and through its agents and employees, again engaged in a scheme to trick Eastpointe, and NC-Medicaid generally, into believing that gift cards were no longer given to patients by Life Touch when, in fact, they were. They did this by, among other things, making it appear that a third party,

this time named “Changing Lives,” was purchasing and providing gift cards to Life Touch patients.

51. Changing Lives was not a functioning business entity. Instead, it was merely a shell utilized for the purposes of making it appear that Life Touch was not providing gift cards to Life Touch patients.

52. On or about February 3, 2021, while Life Touch was still engaged in the January 2020 Eastpointe Audit, B.S. and F.S., began altering the North Carolina Secretary of State documents for and entitled “Life Touch Resources,” that was incorporated by B.S. in 2013. On February 3, 2020, E.A., an employee of 1st Choice who worked with Life Touch, executed documents changing the name of Life Touch Resources to Changing Lives Resources Inc.

53. Despite signing these documents, E.A. played no actual role in the management of Changing Lives. Instead, Changing Lives was utilized by F.S. and JOHNSON to deceive Medicaid regarding the purchase and delivery of gift cards to patients.

54. On or about February 11, 2021, F.S. and K.S. corresponded regarding changing the address, phone number, and email for Changing Lives. F.S. directed that email and physical mail be directed to locations controlled by her.

55. On or about August 17, 2021, E.A. and others executed new articles of incorporation for Changing Lives, reflecting that the company was a “charitable corporation” that was tax exempt under Section 501(c)(3) of the Internal Revenue Code.

56. After altering the corporate record of Changing Lives to make it appear that E.A. was running the company, F.S. and JOHNSON created and used documents that made it appear that Life Touch patients were consenting to the release of their patient information to Changing Lives. These fraudulent consent forms, which were executed by patients and F.S., created a plausible explanation for how Changing Lives would know which patients should receive an incentive. In fact, at all times, the gift cards continued to be purchased and disseminated by and at the direction of F.S. and JOHNSON.

57. By August of 2022, F.S. created and used a “Motivational Incentive” document that purported to be executed by Life Touch patients. This document stated that “Life Touch LLC DOES NOT have anything to do with incentives. Life Touch LLC does not give incentives, gas cards, food, pay electric, water, rent, etc.” Questions regarding this policy were directed to JOHNSON and F.S. While superficially, this document made it appear that gift cards were not being given by Life Touch, JOHNSON, and F.S., in fact, they were.

58. On or about August 29, 2022, JOHNSON texted B.S., “I wish we didn’t have to do those cards... Eastpointe interview the clients now.” B.S. replied, “Our clients [facepalm emoji].”

59. On or about September 7, 2022, when questioned regarding the payment of incentives to patients, JOHNSON stated, “We don’t do that anymore” and that a “third party” called “Changing Lives” provided the cards. JOHNSON also represented that Life Touch did not have a policy for providing incentives.

60. Then, on or about September 7, 2022, JOHNSON also executed and delivered a document to Eastpointe auditors, on Life Touch letterhead, stating that “Life Touch LLC agency does not give its members motivational incentives.”

61. Based upon the foregoing false and fraudulent statements, no direct findings were made, however the matter was referred for further investigation by the Medicaid Investigations Division.

62. **Civil Fraud Investigation.** In connection with the Eastpointe audits, MID initiated an investigation into Life Touch which included, among other things, the giving of gift cards as incentives to patients. As part of the investigation, documents were requested, and interviews of employees were conducted. Rather than provide truthful information and answers, Life Touch provided false documents and false statements.

63. On or about March 30, 2022 and April 19, 2022, the Medicaid Investigations Division issued civil investigative demands (CIDs) to Life Touch and 1st Choice, respectively. These CIDs demanded production of, among other things, Life Touch policies regarding incentives, and records concerning money and other benefits, including but not limited to gift cards, provided to patients.

64. On or about June 5, 2022, Life Touch produced to MID, among other things, fraudulent consent forms that made it appear that Life Touch was releasing information to Changing Lives for the purpose of allowing Changing Lives to provide incentives to the patients.

65. On or about October 14, 2022, F.S. created a document entitled “Motivational Incentives Statement” which purported to be executable by Life Touch patients. Among other things, the document stated that by signing, the patient has been made aware that Life Touch “does not do motivational incentive [sic]” and that Life Touch “does not give food, clothing, gas vouchers, assist with rent, assist with electricity, or any monies,” and that “Life Touch does make referrals for assistance through non-profit agencies.”

66. Or about November 3, 2022, JOHNSON submitted to an interview as a part of MID’s civil inquiry. During the interview, JOHNSON made numerous false statements. Among others, JOHNSON stated:

- a. Life Touch was no longer giving gift cards
- b. While Life Touch did give gift cards at one time, they stopped giving them to clients after an audit by Eastpointe in 2018.
- c. Life Touch only provided gift cards for a period of about six months, covering a part of 2017 and 2018.
- d. After 2018, any cards given to Life Touch’s clients were from a third party, “Refuge House” and “Changing Lives.”

67. On or about November 29, 2022, F.S. created another version of the “Motivational Incentives” document previously created on October 14, 2022.

68. In or about May of 2023, the MID began to conduct interviews of Life Touch patients regarding, among other things, the receipt of gift cards from Life Touch.

69. On or about July 20, 2023, JOHNSON created a document named “Life Touch Rules According to State Guidelines. The document was written in all capital letters and stated, among other things, that “MOTIVATIONAL INCENTIVES THAT ARE GIVEN OUT ON FRIDAYS ARE GIVEN BY A THIRD PARTY AND THEY HAVE A RIGHT TO REFUSE GIVING THE INCENTIVE IF INFORMED OF NO PROGRESS BEING MADE”.

70. Despite these false statements, both verbally and in writing, Life Touch, by and through JOHNSON and F.S., continued to provide gift cards to patients throughout the civil investigation.

COUNT ONE
Conspiracy to Commit Health Care Fraud
18 U.S.C. § 1349

71. Paragraphs 1 through 70 of this Criminal Information are realleged and incorporated by reference.

72. Beginning at a time unknown but not later than October 1, 2019, and continuing to a time unknown, but no earlier than November 16, 2023, in the Eastern District of North Carolina and elsewhere, KEKE KOMEKO JOHNSON, defendant herein, did knowingly combine, conspire, confederate, and agree with others, to defraud the United States and to commit offenses against the United States, that is to knowingly and willfully execute and attempt to execute a scheme and artifice to: (1) defraud a health care benefit program, to wit, NC-Medicaid, and (2) obtain by means of materially false and fraudulent pretenses, representations, and promises, any of the money or property owned by, and under the custody or control of NC-

Medicaid, in connection with the delivery of and payment for health care benefits, items and services, in violation of Title 18, United States Code, Section 1347 (“Health Care Fraud”).

COUNT TWO
Failure to File a Tax Return
26 U.S.C. § 7203

73. Paragraphs 1 through 70 are incorporated by reference as though fully set forth in this count.

74. On or about April 15, 2022, in the Eastern District of North Carolina and elsewhere, defendant herein, KEKE KOMEKO JOHNSON, having and having received taxable income on which taxable income there was owing to the United States of America an income tax; and by virtue of such income, was required by law to pay, on or before April 15, 2022, for calendar year 2021, that income tax to the Internal Revenue Service Center, to a person assigned to receive returns at the local office of the Internal Revenue Service, or to another Internal Revenue Service office permitted by the Commissioner of Internal Revenue, did knowingly and willfully fail to pay the income tax due.

All in violation of Title 26, United States Code, Section 7203.

FORFEITURE NOTICE

Notice is hereby given that all right, title and interest in the property described herein is subject to forfeiture.

Upon conviction of any Federal health care offense as defined in 18 U.S.C. § 24(a), the defendant shall forfeit to the United States, pursuant to 18 U.S.C.

§ 982(a)(7), any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the said offense.


The forfeitable property includes, but is not limited to, the following:

Forfeiture Money Judgment:

- a) A sum of money representing the gross proceeds of the offense(s) charged herein against KEKE KOMEKO JOHNSON.

If any of the above-described forfeitable property, as a result of any act or omission of a defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty; it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property described above.

DANIEL P. BUBAR
Acting United States Attorney



BY: TASHA C. GARDNER
Special Assistant United States Attorney